Supplementary Estimates No. 3

2004 - 2005

Yukon
Finance

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GLOSSARY

Accumulated Amortization	The total to date of the periodic amortization charges relating to tangible capital assets since they were placed in use.
Accumulated Surplus	The combined amount of net financial resources and non-financial assets; which is also expressed as the difference between assets and liabilities. It is the cumulative excess of revenues over expenses. Since non-financial assets, including tangible capital assets, provide resources that the Government of Yukon can use in the future to accomplish its objectives, non-financial assets form part of the accumulated surplus.
Amortization	The systematic process of allocating the cost of tangible capital assets to expense for the periods in which they provide benefits. For the purpose of tangible capital asset accounting in the Government of Yukon, amortization is calculated using the straight-line method, which reflects a constant charge for the service over the asset's estimated useful life. This term is used interchangeably with depreciation and is generally understood to mean the same thing.
Deferred Capital Contribution	A contribution or funding received from a third party for the acquisition, development, construction or betterment of a tangible capital asset. A contribution includes tangible capital assets transferred from a third party to the Government of Yukon.
Disposals	Disposals of tangible capital assets may occur by sale, destruction, loss or abandonment. Upon disposal, the net book value of the asset is removed from the accounts.
Financial Assets	Assets that could be used to discharge existing liabilities or finance future operations and are not for consumption in the normal course of operations, e.g., cash, investments, accounts receivable, loans receivable, land held for sale, etc.
Liabilities	Financial obligations to outside organizations and individuals arising as a result of past transactions and events, e.g., accounts payable, long term debt, deferred revenues, and post-employment benefits.
Net Book Value	The cost of a tangible capital asset, less both accumulated amortization and the amount of any write-down.
Net Financial Resources	The difference between financial assets and liabilities.
Non-financial Assets	Non-financial assets include tangible capital assets, prepaid expenses and inventories of supplies. These assets are resources that the Government of Yukon can use in the future to deliver government services or can be consumed in the normal course of operations.

Tangible Capital Assets

Physical assets that are acquired, constructed, or developed and:

- are held for use in the production or supply of goods or delivery of services;
- have useful lives extending beyond one fiscal year and are intended to be used on a continuing basis; and
- are not intended for sale in the ordinary course of operations.
- The major categories of tangible capital assets are:
  - Land
  - Buildings
  - Heavy Equipment
  - Operating Equipment
  - Vehicles
  - Computer hardware and software
  - Transportation infrastructure (including highways, bridges and airstrips).

Tangible capital assets do not include:

- assets acquired by Right, such as Crown lands, forests, water and mineral resources;
- works of art, historical treasures or heritage assets; and
- feasibility studies.

Tangible Capital Assets in Service

Assets currently being used in the production or supply of goods or the delivery of services.

Useful life

The estimate of the period over which a tangible capital asset is expected to be used by the Government. The useful life of a tangible capital asset, other than land, is finite and is normally the shortest of the physical, technological, commercial, and legal life. The life of a tangible capital asset may extend beyond the useful life of the tangible capital asset.

Work-in-Progress

Consists of construction or development of a tangible capital asset in progress that is not yet in use.

Write-down

A reduction in the cost of a tangible capital asset made when the value of future economic benefits associated with the asset is less than its net book value.

FINANCIAL SUMMARY - SURPLUS / (DEFICIT)
($000s)

	2004-05 VOTED TO DATE	SUPPLE-MENTARY NO. 3 [1]	UNDER EXPEND-ITURE/ CHANGE [1]	2004-05 REVISED VOTE
Revenue				
Territorial Revenue	79,937	0	1,145	81,082
Recoveries	124,567	0	(18,442)	106,125
Transfers from Canada	519,922	0	(14,136)	505,786
	724,426	0	(31,433)	692,993
Less Expenditures				
Operation and Maintenance Expenditures	577,067	6,988	(16,969)	567,086
Capital Expenditures	166,928	0	(38,528)	128,400
Loan Interest	360	0	0	360
	744,355	6,988	(55,497)	695,846
Effect of change in tangible capital assets				
Plus: Acquisitions	66,355	0	(21,442)	44,913
Less: Deferred capital contributions	(25,928)	0	1,212	(24,716)
Less: Amortization expense	(29,259)	0	1,848	(27,411)
Plus: Amortization of deferred capital contributions	13,966	0	(978)	12,988
	25,134	0	(19,360)	5,774
Adjustments				
Plus: In-year estimate of year-end lapses	22,141	0	(22,141)	0
Plus: Recoveries of prior years' expenditures	0	0	587	587
Plus: Items transferred to the balance sheet	(23)	0	910	887
Less: Net profit restricted funds	0	0	831	831
Surplus (Deficit) for the Year	27,323	(6,988)	(15,109)	5,226

Accumulated Surplus, March 31, 2004 [2]	91,416
Restatement for change in accounting policy [3]	344,186
Restatement for Employee Future Benefits [4]	(27,397)
Accumulated Surplus, March 31, 2005	**413,431**

FINANCIAL SUMMARY - FINANCIAL POSITION
($000s)

	2004-05 VOTED TO DATE	CHANGE	2004-05 REVISED VOTE
Net Financial Resources			
Surplus (Deficit) for the Year	27,323	(22,097)	5,226
Effect of change in tangible capital assets (including restricted funds)			
Less: Acquisitions	(66,355)	18,930	(47,425)
Plus: Deferred capital contributions	25,928	(16)	25,912
Plus: Amortization expense	29,259	1,324	30,583
Less: Amortization of deferred capital contributions	(13,966)	864	(13,102)
Plus: Gain on sale	0	7	7
Plus: Proceeds on sale	0	31	31
Plus: Write-downs and disposals	23	(23)	0
	(25,111)	21,117	(3,994)
Effect of change in other non-financial assets			
Less: Increase in inventories of supplies	0	(500)	(500)
Less: Increase in prepaid expenses	0	(802)	(802)
	0	(1,302)	(1,302)
Increase (decrease) in net financial resources	2,212	(2,282)	(70)
Net Financial Resources, March 31, 2004 [5]	75,706	0	75,706
Restatement for Employee Future Benefits [4]	0	(27,397)	(27,397)
Net Financial Resources, March 31, 2005	77,918	(29,679)	**48,239**
Net Non-Financial Resources			
Tangible capital assets			787,820
Less: Deferred capital contributions			(428,529)
Inventories of supplies			4,140
Prepaid expenses			1,761
Net Non-Financial Resources, March 31, 2005			365,192
Accumulated Surplus, March 31, 2005			**413,431**

NOTES TO FINANCIAL SUMMARY
($000s)

(1) The 2004-05 Supplementary Estimates No. 3 document serves two purposes: i) it details expenditure changes requiring Appropriation authority, and ii) it provides updated information on the financial position of the Government. On the Financial Summary - Surplus / (Deficit), O&M Expenditure Summary and Capital Expenditure Summary, the shaded column is referred to as "Supplementary No. 3" representing changes requiring increased Appropriation authority. On all schedules, the column "Under Expenditure/Change" represents changes due to 2004-05 activities or changes reflected in the 2004-05 Public Accounts affecting the 2004-05 financial position.

(2) The 2003-04 Public Accounts disclosed two components for Surplus (as at March 31, 2004):

- Surplus resulting from Government operations	85,644
- Surplus resulting from restricted funds	5,772
For 2004-05, this distinction is not made - April 1, 2004 Opening Surplus is the sum total of Surplus previously reported in 2003-04.	91,416

(3) In accordance with the Public Sector Accounting Board (PSAB) recommendations, tangible capital assets are being recognized in the financial statements of the Government commencing with the 2004-05 fiscal year. Under this revised accounting policy, the costs of tangible capital assets are capitalized and amortized as expenses of operations over their estimated useful service lives. In 2003-04 and prior years, the costs of tangible capital assets were recognized as expenditures when the assets were acquired or constructed. This change in accounting policy has been applied retroactively and prior year financial statements have been restated.

(4) During the 2004-05 year, the Government adopted the recommendations issued by the Canadian Institute of Chartered Accountants with respect to accounting for extended health care and life insurance benefits for retired employees. Prior to 2004-05, expenses related to these benefits were recorded on a cash basis. As the actuarial valuation is not available for the period prior to April 1, 2004, this correction of accounting method was applied with an adjustment to the 2004-05 opening accumulated surplus and no restatement of comparative amounts.

(5) With the adoption of full accrual accounting effective April 1, 2004, the Government now reports Net Financial Resources (financial assets less liabilities) requiring restatement from the 2003-04 Public Accounts as follows:

Accumulated Surplus, March 31, 2004	85,644
Less: Prepaid expenses	(959)
Less: Inventories	(3,640)
Less: Capitalized leased buildings	(11,111)
Plus: Restricted funds	5,772
Net Financial Resources, March 31, 2004	75,706

NET EXPENDITURES SUMMARY
($000s)

	2004-05 VOTED TO DATE	SUPPLE-MENTARY NO. 3	UNDER EXPEND-ITURE/ CHANGE	2004-05 REVISED VOTE
NET BUDGETARY EXPENDITURES:				
OPERATION AND MAINTENANCE:				
Gross Budgetary Expenditures	577,067	**6,988**	(16,969)	567,086
Less: Recoveries	70,885	**0**	(7,333)	63,552
NET O & M EXPENDITURES	506,182	**6,988**	(9,636)	503,534
CAPITAL:				
Gross Budgetary Expenditures	166,928	**0**	(38,528)	128,400
Less: Recoveries	53,064	**0**	(11,109)	41,955
NET CAPITAL EXPENDITURES	113,864	**0**	(27,419)	86,445
LOAN INTEREST:				
Gross Budgetary Expenditures	360	**0**	0	360
Less: Recoveries	618	**0**	0	618
NET LOAN INTEREST	(258)	**0**	0	(258)
TOTAL BUDGETARY EXPENDITURES:				
Gross Budgetary Expenditures	744,355	**6,988**	(55,497)	695,846
Less: Recoveries	124,567	**0**	(18,442)	106,125
NET BUDGETARY EXPENDITURES	619,788	**6,988**	(37,055)	589,721
NET NON-BUDGETARY EXPENDITURES:				
LOAN PRINCIPAL:				
Gross Expenditures	0	**0**	0	0
Less: Recoveries	845	**0**	0	845
NET LOAN PRINCIPAL	(845)	**0**	0	(845)
LOAN CAPITAL:				
Gross Expenditures	5,000	**0**	(4,270)	730
Less: Recoveries	5,000	**0**	(4,270)	730
NET LOAN CAPITAL	0	**0**	0	0

OPERATION AND MAINTENANCE
EXPENDITURE SUMMARY BY DEPARTMENT / CORPORATION
($000s)

VOTE	DEPARTMENT / CORPORATION	2004-05 VOTED TO DATE	SUPPLE-MENTARY NO. 3	UNDER EXPEND-ITURE	2004-05 REVISED VOTE
01	Yukon Legislative Assembly	3,927	**0**	(347)	3,580
24	Elections Office	214	**0**	(27)	187
23	Office of the Ombudsman	409	**0**	(11)	398
02	Executive Council Office	18,850	**0**	(3,208)	15,642
51	Community Services	63,261	**0**	(111)	63,150
07	Economic Development	5,851	**0**	(1,120)	4,731
03	Education	101,273	**0**	(901)	100,372
53	Energy, Mines and Resources	34,572	**0**	(3,210)	31,362
52	Environment	19,125	**0**	(446)	18,679
12	Finance	4,758	**0**	(36)	4,722
15	Health and Social Services	169,614	**0**	(4,412)	165,202
55	Highways and Public Works	74,260	**0**	(1,019)	73,241
08	Justice	37,263	**104**	0	37,367
10	Public Service Commission	16,359	**6,884**	0	23,243
54	Tourism and Culture	13,721	**0**	(160)	13,561
11	Women's Directorate	869	**0**	(85)	784
22	Yukon Development Corporation	one dollar	**0**	0	0
18	Yukon Housing Corporation	12,741	**0**	(1,876)	10,865
19	Yukon Liquor Corporation	one dollar	**0**	0	0
Total Expenditures		577,067	**6,988**	(16,969)	567,086

OPERATION AND MAINTENANCE
RECOVERY SUMMARY BY DEPARTMENT / CORPORATION
($000s)

VOTE	DEPARTMENT / CORPORATION	2004-05 VOTED TO DATE	CHANGE	2004-05 REVISED VOTE
01	Yukon Legislative Assembly	0	0	0
24	Elections Office	0	0	0
23	Office of the Ombudsman	0	0	0
02	Executive Council Office	5,890	(2,229)	3,661
51	Community Services	15,499	(3,179)	12,320
07	Economic Development	100	(15)	85
03	Education	2,681	364	3,045
53	Energy, Mines and Resources	10,353	(2,677)	7,676
52	Environment	1,369	(92)	1,277
12	Finance	16	4	20
15	Health and Social Services	17,734	1,752	19,486
55	Highways and Public Works	3,748	(190)	3,558
08	Justice	2,618	(373)	2,245
10	Public Service Commission	49	(28)	21
54	Tourism and Culture	447	(63)	384
11	Women's Directorate	0	0	0
22	Yukon Development Corporation	0	0	0
18	Yukon Housing Corporation	10,381	(607)	9,774
19	Yukon Liquor Corporation	0	0	0
Total Recoveries		70,885	(7,333)	63,552

CAPITAL
EXPENDITURE SUMMARY BY DEPARTMENT / CORPORATION
($000s)

VOTE	DEPARTMENT / CORPORATION	2004-05 VOTED TO DATE	SUPPLE-MENTARY NO. 3	UNDER EXPEND-ITURE	2004-05 REVISED VOTE
01	Yukon Legislative Assembly	40	0	(3)	37
24	Elections Office	5	0	(1)	4
23	Office of the Ombudsman	5	0	0	5
02	Executive Council Office	3,275	0	(2,341)	934
51	Community Services	23,387	0	(6,091)	17,296
07	Economic Development	10,031	0	(3,217)	6,814
03	Education	11,863	0	(2,085)	9,778
53	Energy, Mines and Resources	5,311	0	(322)	4,989
52	Environment	3,950	0	(264)	3,686
12	Finance	264	0	(174)	90
15	Health and Social Services	9,393	0	(4,969)	4,424
55	Highways and Public Works	77,374	0	(13,248)	64,126
08	Justice	2,209	0	(851)	1,358
10	Public Service Commission	86	0	0	86
54	Tourism and Culture	6,313	0	(953)	5,360
11	Women's Directorate	8	0	0	8
22	Yukon Development Corporation	0	0	0	0
18	Yukon Housing Corporation	13,414	0	(4,009)	9,405
Total Expenditures		166,928	0	(38,528)	128,400

CAPITAL
RECOVERY SUMMARY BY DEPARTMENT / CORPORATION
($000s)

VOTE	DEPARTMENT / CORPORATION	2004-05 VOTED TO DATE	CHANGE	2004-05 REVISED VOTE
01	Yukon Legislative Assembly	0	0	0
24	Elections Office	0	0	0
23	Office of the Ombudsman	0	0	0
02	Executive Council Office	0	0	0
51	Community Services	10,172	(3,118)	7,054
07	Economic Development	217	0	217
03	Education	40	(20)	20
53	Energy, Mines and Resources	1,339	(559)	780
52	Environment	45	0	45
12	Finance	250	(250)	0
15	Health and Social Services	1,674	(466)	1,208
55	Highways and Public Works	27,821	(3,011)	24,810
08	Justice	0	(16)	(16)
10	Public Service Commission	0	0	0
54	Tourism and Culture	416	(59)	357
11	Women's Directorate	0	0	0
22	Yukon Development Corporation	0	0	0
18	Yukon Housing Corporation	11,090	(3,610)	7,480
Total Recoveries		53,064	(11,109)	41,955

REVENUE SUMMARY
($000s)

	2004-05 VOTED TO DATE	CHANGE	2004-05 REVISED VOTE
TERRITORIAL REVENUE [1]			
Tax Revenue	59,138	2,889	62,027
Other Revenue	20,799	(1,744)	19,055
TOTAL TERRITORIAL REVENUE	79,937	1,145	81,082
RECOVERIES [2]			
Operation and Maintenance	70,885	(7,333)	63,552
Capital	53,064	(11,109)	41,955
Loan Interest	618	0	618
TOTAL RECOVERIES	124,567	(18,442)	106,125
TRANSFERS FROM CANADA [3]			
Grant from Canada	484,641	(13,645)	470,996
Canada Health Transfer	16,996	(490)	16,506
Other Health Care Transfers			
- Health Reform Transfer	1,448	0	1,448
- Northern Health Accord	6,667	0	6,667
- Canada Health and Social Transfer Supplemental Trust	934	0	934
- Wait Times Reduction	610	(1)	609
- Public Health and Immunization Trust	130	0	130
Canada Social Transfer	9,050	0	9,050
Canada Health and Social Transfer (prior year)	(554)	0	(554)
TOTAL TRANSFERS FROM CANADA	519,922	(14,136)	505,786
Effect of change in tangible capital assets			
Less: Deferred Capital Contributions	(25,928)	1,212	(24,716)
Plus: Amortization of Deferred Capital Contributions	13,966	(978)	12,988
TOTAL REVENUE	712,464	(31,199)	681,265

(1) Excludes Yukon Development Corporation.
(2) Includes recoveries from Canada.
(3) Excludes recoveries from Canada.

TERRITORIAL REVENUE SUMMARY BY SOURCE
($000s)

	2004-05 VOTED TO DATE	CHANGE	2004-05 REVISED VOTE
Tax Revenue			
Personal Income Tax	34,382	692	35,074
Corporate Income Tax	5,501	2,456	7,957
Property Tax	2,290	(102)	2,188
Grant-in-Lieu of Property Tax	200	(29)	171
Fuel Oil Tax - Diesel	2,701	88	2,789
Fuel Oil Tax - Other	4,134	(477)	3,657
Insurance Premium Tax	1,451	(73)	1,378
Tobacco Tax	6,199	(52)	6,147
Liquor Tax	2,280	386	2,666
Total Tax Revenue	59,138	2,889	62,027
Other Revenue			
Liquor Profit	4,709	886	5,595
Investment Income and Other Interest	441	614	1,055
Licences, Fees, Registrations and Permits:			
Motor Vehicle	3,028	212	3,240
Game and Campground	892	(20)	872
Business and Professional	1,800	244	2,044
Lands, Mines and Forestry	916	239	1,155
Other	813	2	815
Oil and Gas Resource Revenue	6,616	(4,432)	2,184
Land and Mineral Leases and Royalties	280	(31)	249
Fines	408	28	436
Gain on Sale of Land	126	507	633
Aviation Operations	682	(36)	646
Miscellaneous	88	43	131
Total Other Revenue	20,799	(1,744)	19,055
Total Territorial Revenue	79,937	1,145	81,082

TERRITORIAL REVENUE SUMMARY BY DEPARTMENT / CORPORATION ($000s)

VOTE	DEPARTMENT / CORPORATION	2004-05 VOTED TO DATE	CHANGE	2004-05 REVISED VOTE
01	Yukon Legislative Assembly	0	0	0
24	Elections Office	0	0	0
23	Office of the Ombudsman	0	0	0
02	Executive Council Office	15	11	26
51	Community Services	7,665	303	7,968
07	Economic Development	0	0	0
03	Education	26	(10)	16
53	Energy, Mines and Resources	7,968	(3,641)	4,327
52	Environment	922	(18)	904
12	Finance	54,656	3,224	57,880
15	Health and Social Services	42	3	45
55	Highways and Public Works	795	10	805
08	Justice	637	21	658
10	Public Service Commission	0	0	0
54	Tourism and Culture	222	(30)	192
11	Women's Directorate	0	0	0
22	Yukon Development Corporation	0	0	0
18	Yukon Housing Corporation	0	0	0
19	Yukon Liquor Corporation	6,989	1,272	8,261
Total Territorial Revenue		79,937	1,145	81,082

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JUSTICE

Yukon
Government

VOTE 08
DEPARTMENT OF JUSTICE

MINISTER

Hon. J. Edzerza

DEPUTY MINISTER

D. Cooley

DEPARTMENTAL OBJECTIVE

- The Yukon Department of Justice operates to:
  - enhance public confidence in, and respect for, the law and society;
  - promote an open and accessible system of justice that provides fair and equal services to all Yukon citizens;
  - ensure that the administration of justice operates for the benefit of all persons in the Yukon;
  - work toward an effective and responsive correctional system to manage offenders in ways that promote rehabilitation and ensure public safety;
  - ensure that the Government of Yukon receives high quality and cost-effective legal services;
  - promote effective policing, crime prevention and community justice initiatives in our communities; and
  - encourage respect for individual, collective and human rights.

FINANCIAL SUMMARY ($000s)	SUPPLE-MENTARY NO. 3
Operation and Maintenance Expenditures	104

JUSTICE

DETAILS ($000s)	2004-05 VOTED TO DATE	SUPPLE-MENTARY NO. 3	2004-05 REVISED VOTE
OPERATION AND MAINTENANCE EXPENDITURES	37,263	**104**	37,367

Supplementary funding requirements were due to a payment to the Yukon Workers' Compensation Health and Safety Board for the Mine Safety program covering the program expenditure for the fiscal years 2001-02 to 2004-05. In consultation with the Department of Finance, and in following Generally Accepted Accounting Principles, the Mine Safety expenditures relating to fiscal years 2001-02 to 2003-04 were not considered material enough to warrant a prior-year adjustment, therefore, they were included in the 2004-05 expenditures.

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PUBLIC SERVICE COMMISSION

Yukon
Government

VOTE 10
PUBLIC SERVICE COMMISSION

MINISTER

Hon. E. Taylor

DEPUTY MINISTER

P. Daws

DEPARTMENTAL OBJECTIVES

- To have valued partnerships and to provide human resource expertise leading to organizational excellence.
- To provide corporate leadership in human resource management services for the Government of Yukon.
- To plan and implement Representative Public Service provisions of Yukon First Nation Land Claims Agreements.

FINANCIAL SUMMARY ($000s)	SUPPLE-MENTARY NO. 3
Operation and Maintenance Expenditures	**6,884**

PUBLIC SERVICE COMMISSION

DETAILS ($000s)	2004-05 VOTED TO DATE	SUPPLE-MENTARY NO. 3	2004-05 REVISED VOTE
OPERATION AND MAINTENANCE EXPENDITURES	16,359	**6,884**	23,243

Supplementary funding required for: employee future benefits estimate for retirees' extended health care and life insurance costs; recruitments; and estimate for outstanding employee superannuation buybacks.

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